

# BUSINESS Update

Washington State Employment Security Department

December 2002

Please share this with:

- ☐ Owner
- ☐ Accountant/Bkkr.
- ☐ Business Associate
- ☐ HRM Manager
- ☐ Office Manager
- ☐ Other \_\_\_\_\_

## Where are Employers 2003 Unemployment Insurance Tax Rates?

Unemployment Insurance Tax Rates for 2003 are subject to Referendum Measure 53. The Washington State Supreme Court temporarily enjoined the Secretary of State from canvassing and certifying the results of the November election.

What this means is that the portions of Engrossed House Bill 2901 passed by the 2003 legislature, which were subject to the Referendum Measure, remain suspended until the Court makes a decision. The Court will hear argument on December 10, 2002.

The Employment Security Department is waiting to calculate the rates in hopes that the Court will

rule before the end of first quarter of 2003 (March 31, 2003).

If Referendum Measure 53 is ruled constitutional by the State Supreme Court, tax rates will be calculated for 2003 using the same law used for 2002's tax rates. If it is ruled unconstitutional, tax rates will be calculated based upon the changes that were contained in Engrossed House Bill 2901.

If the Court does not rule prior to March 31, 2003, the tax rates for 2003 will be calculated based on the same law used for the 2002's tax rates. Keep in mind that the first quarter 2003 quarterly UI tax payment is not due until April 30, 2003.

## New Hire Reporting Saves Employers Money!

State law requires that employers report any newly hired or rehired employee to the Department of Social and Health Services (DSHS), within 20 days of the beginning of the employment. Originally intended to locate absent parents who are not paying their child support, this law helps save employers money.

The Employment Security Department (ESD) matches unemployment insurance payments with the New Hire information that employers report to DSHS. This helps ESD identify claimants who have not properly reported their work and earnings.

When ESD assesses an overpayment, taxable employers are immediately credited with the overpayment amount on their quarterly benefit charges. This also stops a lot of improper payments and fraud from ever occurring. Reimbursable employers get a credit on their benefit charges when the overpayment is collected. Improper benefit charges can affect an employer's tax rate.

All of these savings start with the simple reporting of any newly hired or rehired employee to DSHS. New Hire reporting to DSHS can be done easily in a number of ways:

- e-mail to [newhire@dshs.wa.gov](mailto:newhire@dshs.wa.gov), or
- Internet [www.wa.gov/dshs/newhire/](http://www.wa.gov/dshs/newhire/), or
- call (800) 562-0479, or
- fax (800) 782-0624, or
- mail to New Hire Directory, PO Box 9023, Olympia WA 98507-9023.

Employers are encouraged to use the New Hire Internet site for reporting. It is the only reporting method that returns a confirmation that the information was received.

The Internet site is the most efficient and least expensive way for the State of Washington to receive and process the data. For more information on who, what, when, or how to report, call (800) 457-6202.

## Agency Aggressively Markets Electronic Filing

Employment Security has launched an aggressive marketing plan to convert 14,000 Washington businesses to electronic tax filing by June 2003. More than 24,000 businesses already file electronically, saving time and trimming processing costs. Program savings are redirected toward improving the quality of service to business taxpayers.

In an unprecedented statewide effort, 15 Electronic Tax Filing Specialists stationed at District Tax Offices across the state have placed thousands of phone calls to businesses since September of this year. During the Fall Quarter performance

period, 2,900 businesses changed over to electronic filing.

"This fantastic initial response outstripped our goal to convert 1,250 filers during that period," said Sharon Hitt, project coordinator. "We're also hearing that businesses appreciate having a local contact to turn to for help with electronic filing."

To learn more about electronic filing, go to [www.wa.gov/esd/uifasttax](http://www.wa.gov/esd/uifasttax). Contact information for Local Electronic Tax Filing Representatives appears under the red Help Desk button and under the blue Support link.

## It's Filing Time Again

Here are a couple of tips that will help you as you prepare your annual 940 Federal Unemployment (FUTA) tax return for filing.

Check line 15 of your state Quarterly Tax Report (EMS 5208) from Employment Security. The tax rate shown there is the only state unemployment tax rate you should use for your FUTA return.

Do not include the Employment Administration Fund rate shown on line 16 of the quarterly tax report. That rate is an offset from the full rate, not part of the regular rate.

If you did not report corporate officers for state unemployment tax purposes, you should not take the offset credit for corporate officers when filing your federal return.

## Wage Reporting Headaches?

### We can help!

Reporting wages for payroll tax purposes can be challenging and even confusing, particularly for new employers.

The Voluntary Review Program was legislatively mandated to help new employers be in compliance with tax laws. The local District Tax Office staff can help by providing:

- Technical Assistance
- Penalty-Free Records Review
- Educational Seminars

For further information, contact your local District Tax Office listed on the Internet at <http://www.wa.gov/esd/AgencyInfo/directories/districttaxoffices.htm> or State Audit Coordinator at (360) 902-9594.

## Save Your Business Money With Shared Work!

Are you anticipating or experiencing an unexpected slowdown in your business?

**For more information, call  
1-800-752-2500**

**Not available during seasonal slowdowns or for part-time employees.**

## Career Jump Benefits Employers

Career Jump is a money saving option for employers of excellence looking for new employees. Employers must be willing to partner and invest time and resources to assist in increasing the skill level of trainees.

### Benefits to business

- Save money on recruiting costs – we find job applicants for you.
- Reduce training costs – we pay your new employee's wages and payroll taxes during their training period (up to 5 months).
- Federal income tax breaks – hiring Career Jump trainees can save your company thousands in taxes.
- Customized training to meet your needs/Career

Jump employees receive personalized training options to increase their job skills.

- 30 day trial service to evaluate the employee – if the trainee is not meeting your expectation within the first 30 days, you are under no obligation to hire the trainee permanently.
- Advocate provided to assist and monitor the progress of the trainee for 9 months.

### How it works

- Employer interviews one or more pre-screened applicants.
- If employer chooses to hire from our applicant pool, Career Jump pays their wages (20 hours per week at minimum wage) and payroll taxes for their training period, which can last for up

to 5 months.

- At the end of the training period or at any point during it, the employer hires the individual at the prevailing wage with comparable benefits for full-time employment.
- We provide job retention services for an additional 4 months after being hired to help ensure the success of your new employee.
- Career Jump cannot be used to replace existing employees and may not represent more than 10% of your labor force.

For information, contact Marcy Longosky at (253) 594-7936 or e-mail at [mlongosky@pic.tacoma.wa.us](mailto:mlongosky@pic.tacoma.wa.us).

## Choose the Day You Pay with E-Pay

Any employer needing to make a payment to Employment Security can use E-Pay. This includes reimbursable accounts that receive a monthly billing, accounts that receive a delinquency notice, and regular quarterly filers.

E-Pay users can choose to have payments debited on the due date, guaranteeing timely payment while keeping the money in their account until the payment is due.

UI*Fas*Tax (Version 3.1.42 and higher) offers to take users to E-Pay using their web browser. Users then return to UI*Fas*Tax after they complete the payment process and close their web browser.

When users return to UI*Fas*Tax, they can then print their confirmed reports. A link to E-Pay is also located under the UI*Fas*Tax help menu; however, anyone can go directly to E-Pay at [www.wa.gov/esd/epay](http://www.wa.gov/esd/epay) using a web browser.

## Everett District Tax Office Moves and Changes Name

The Everett District Tax Office relocated to the same building as WorkSource Lynnwood on December 2, and is now the Lynnwood District Tax Office. The office serves Snohomish and Island counties, and parts of King County. The new street address is 20311 - 52nd West, 3rd Floor, Lynnwood, 98036 and the mailing address is P.O. Box 2642, Lynnwood, 98036. The main phone number for the Tax Office is (425) 774-2380.

## WorkSource Whidbey Assists Local Businesses

Staff at WorkSource Whidbey, located in Oak Harbor, conducted a survey of local businesses to discover their needs and how best to fill those needs.

Eighty percent of the county's businesses are small business owners with 10 employees or less, with limited time to conduct interviews and create complete job descriptions.

After conducting the survey, WorkSource Whidbey staff developed a series of free workshops intended to enhance business operations. Some of the topics include: Retaining Good Employees, Discharging Employees, and What is ADA and How Does It Affect My Business?

Two different two-hour workshops are conducted twice a month - one evening session and one afternoon session - to accommodate the business person's busy schedule.

Staff at WorkSource Whidbey are continually gathering ideas for other business workshop topics. As the program grows, hope to make the workshops "transportable" so that any business or group of businesses can have the workshops delivered to them.

Anyone interested in learning more about the workshops, the topics for the month and the schedule, can call WorkSource Whidbey at (360) 675-5966.

### *It's On The Net*

#### ***Employment Security: The Right Connection***

***Visit Employment Security's  
Homepage at: [www.wa.gov/esd](http://www.wa.gov/esd)***

**List jobs for free at**

***[go2worksource.com](http://go2worksource.com)***

### ***The Washington***

#### **Employer Help Line**

What's in it for me?

- File 'no payroll' quarterly tax reports.
- Obtain key data about your UI tax account.
- Have selected forms and/or publications faxed to you.
- Get help with your recruiting or place orders to fill anticipated job openings.
- Access these and other services 24 hours a day, any day. Just dial:

(206) 340-1400 - Seattle

(509) 892-9211 - Spokane

(253) 305-0038 - Tacoma

1-888-836-1900 - Toll Free